



CITY COUNCIL
ATLANTA, GEORGIA

01-R-1281

RESOLUTION

BY FINANCE/EXECUTIVE COMMITTEE

A RESOLUTION INSTRUCTING THE CITY ATTORNEY TO ASSIDUOUSLY AND AGGRESSIVELY MONITOR THE RESTITUTION PROCESS AND PAYMENT TO THE CITY ORDERED IN THE CRIMINAL SENTENCING OF RAYMOND J. MCCLENDON AND THERESA STANFORD; AND FOR OTHER PURPOSES.

WHEREAS, by Resolution 00-R-0660, adopted May 15, 2000 and approved May 23, 2000, the City Attorney was authorized to retain outside counsel to investigate, advise and pursue potential claims against Raymond J. McClendon, the investment banking firm of Pryor, McClendon & Counts or such firm's successor in interest, Theresa A. Stanford and Charlie S. Stanford, which claims arose out of an alleged scheme and course of dealings that resulted in a loss of approximately \$15 million to the City of Atlanta; and

WHEREAS, the City Attorney did engage the services of the law firm of Holland & Knight, LLP to carry out said purposes; and

WHEREAS, Holland & Knight has advised the City Attorney of its assessment of such potential claims; and

WHEREAS, the City Attorney has advised the Finance/Executive Committee of same; and

WHEREAS, it appears that the barring of all but one of the potential claims by applicable statutes of limitation; the probable unavailability of insurance coverage; the estimated six to seven figure cost of litigation (including expert witnesses, depositions, transcripts, copying, travel expenses and maybe attorney fees of outside counsel); the uncertainty of the outcome of any such litigation; the depletion of the assets of McClendon and Stanford and the questionable collectability of a judgment, if obtained, all but militate against instituting civil litigation in this matter.

THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY RESOLVES AS FOLLOWS:

Section 1: For the reasons cited above, pursuit of civil actions against Raymond J. McClendon and Theresa A. Stanford appears to be ill-advised. Accordingly, the City Attorney is hereby instructed to assiduously and aggressively monitor the restitution process and the payments of \$1,500,000 and \$120,000 to the City ordered in the criminal sentencing of Raymond J. McClendon and Theresa Stanford respectively.

Section 2: All resolutions or parts of resolutions in conflict herewith are hereby rescinded.

A true copy,

Rhonda Dauphin Johnson
Municipal Clerk, CMC

ADOPTED by the Council
RETURNED WITHOUT SIGNATURE OF THE MAYOR
APPROVED as per City Charter Section 2-403

AUG 06, 2001

AUG 15, 2001

RCS# 3056
8/06/01
5:02 PM

Atlanta City Council

Regular Session

01-R-1281 Resolution to Pursue Restitution

ADOPT

YEAS: 13
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 3
EXCUSED: 0
ABSENT 0

Y McCarty	Y Dorsey	Y Moore	Y Thomas
Y Starnes	Y Woolard	Y Martin	NV Emmons
NV Bond	Y Morris	Y Maddox	Y Alexander
Y Winslow	Y Muller	Y Boazman	NV Pitts

CORRECTED COPY

01-R-1281

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(Do Not Write Above This Line)

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**ADOPTED BY
AUG 0 6 2001**

COUNCIL

- ☐ CONSENT REFER
☐ REGULAR REPORT REFER
☐ ADVERTISE & REFER
☐ 1st ADOPT 2nd READ & REFER
☐ PERSONAL PAPER REFER

Date Referred

Referred To:

Date Referred

Referred To:

Date Referred

Referred To:

First Reading

Committee _____
Date _____
Chair _____
Referred to _____

Committee	Committee
Date	Date
Chair	Chair
Action: Fav, Adv, Hold (see rev. side) Other:	Action: Fav, Adv, Hold (see rev. side) Other:
Members	Members
Refer To	Refer To

Committee	Committee
Date	Date
Chair	Chair
Action: Fav, Adv, Hold (see rev. side) Other:	Action: Fav, Adv, Hold (see rev. side) Other:
Members	Members
Refer To	Refer To

FINAL COUNCIL ACTION

- ☐ 2nd ☐ 1st & 2nd ☐ 3rd
Readings
☐ Consent ☐ V Vote ☒ RC Vote

CERTIFIED

CERTIFIED
AUG 6 2001

ATLANTA CITY COUNCIL PRESIDENT

Robert A. Pike

CERTIFIED
AUG 0 6 2001

Rhonda Daughlin Johnson
MUNICIPAL CLERK

MAYOR'S ACTION

APPROVED

AUG 1 5 2001

WITHOUT SIGNATURE
BY OPERATION OF LAW